

Thank you for inviting GAO to participate on this panel

For those of you not familiar with our work, the U.S. General Accounting Office is the investigative arm of the Congress. We examine all facets of the government that are financed by taxpayers in order to assess individual programs' financial well being and determine whether an individual programs' performance meets its goals and objectives as established by the Congress.

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GAO Presentation Topics

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- GAO has just begun a comprehensive review of general aviation for the House Subcommittee on Aviation
  - GAO has recently reported on the following:
    - Computer-assisted flight training
    - Runway pavement conditions
    - Capital financing for airports
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GAO has actively examined airport programs and associated funding issues for several years and have issued numerous reports on aviation. Today, I would like to first, review some of our recent work touching on general aviation issues including:

Land use at general aviation airports; runway pavement conditions at general aviation airports; and financing issues at general aviation airports

then, I would like to discuss some of the methodological approaches we anticipate using on an assignment recently initiated for the House Subcommittee on Aviation that will provide a comprehensive review of general aviation.

## Slide 3

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GAO Research Supports Some Use Of Personal  
Computer Aviation Training (July 1999)

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- We found
    - Computer-based training offers some potential benefits to pilots
    - There are no studies that address the relationship between computer-based training and safety
  - We recommended that FAA collect information about the type of equipment pilots use in instrument training to study the relationship between the use of personal computer training devices and safety
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## Slide 4

GAO Runways in Good Condition but May Need  
Substantially More Spending (July 1998)

- We found that
  - about 25 percent of the runways at general aviation airports are at or past the point where it would be most economical to rehabilitate
    - about 12 percent needed rehabilitation now
  - within 10 years, nearly 50 percent of these airports could need rehabilitation

In our study, we analyzed pavement data that cataloged the actual condition of specific runways for that specific date. Then, using specialized pavement management software, we were able to project what the condition of that pavement would be in future years and how much it would cost to maintain and rehabilitate that pavement over time.

As you might expect, the better maintained pavements lasted longer than those pavements that were not maintained. To that end, we recommended that FAA allow federal funds to be used for routine maintenance projects, such as crack-sealing.

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GAO Runways in Good Condition but May Need  
Substantially More Spending (July 1998)

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- We also found
    - if funding were available “on demand” the cost to maintain and rehabilitate about 36 percent of general aviation airports would be \$989 million over 10 years
    - If funding were available according to historical Airport Improvement Program (AIP) allocations, the cost to maintain and rehabilitate those same airports would be more than \$2.8 billion over 10 years
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Our financial analysis showed that there could be quite a gap in the amount of federal funding available for pavement rehabilitation and maintenance.

Timing is key in making the dollars spend on rehabilitation projects work the hardest. It is much less expensive to rehabilitate runways that are moderately deteriorated than those in worse condition

To that end, we recommended that FAA evaluate several options for improving the quality of information on airfield pavement conditions for these airports so that it could better prioritize funds for rehabilitation and maintenance projects.

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GAO Financing for Airport Capital Development

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- We found
    - General aviation airports rely most heavily on federal funds for capital development projects
    - The gap between available funding and planned development at these airports is much greater than at larger airports
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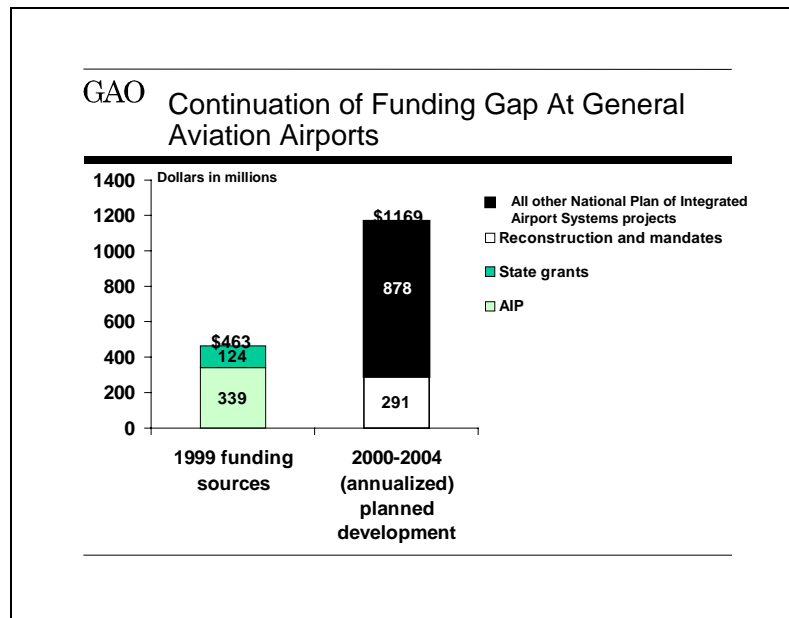
We found that general aviation airports have less access to alternative types of funding than other large airports

General aviation airports cannot assess Passenger Facility Charges because there are typically no passengers at these airports

These airports typically do not generate surplus revenue to use for capital development

Because these airports typically do not generate surplus revenue, they have difficulty accessing private financing, such as revenue bonds

## Slide 7



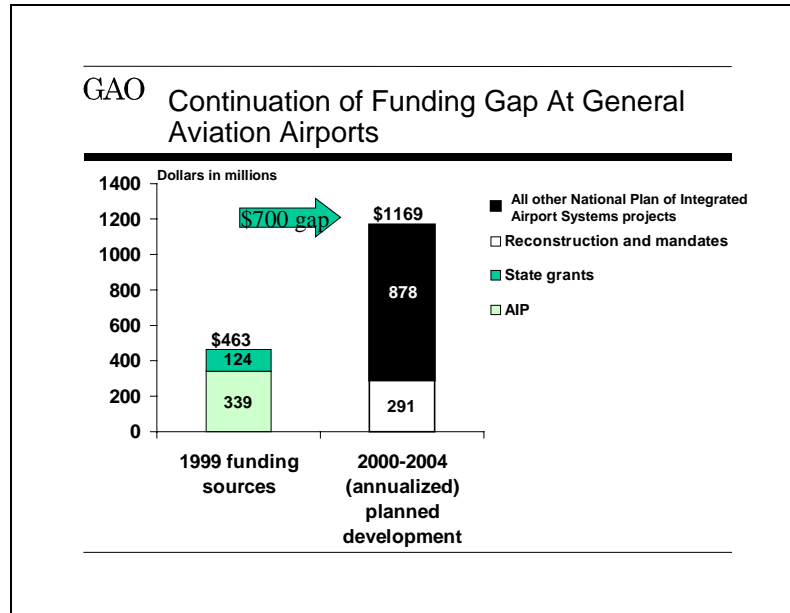
We have updated this information from our 1996 report on capital needs to illustrate the discrepancy between available funding for general aviation and capital development needs. As you can see from this graphic, available funds do little to address the annual need as defined by the NPIAS.

Total Funds Available = \$367/Total Need (annual) - \$1,169

Total funds do not include state funds from FL, Guam, KY, MA, UT)

Updated Information not available for airport revenue or airport bonds

Planned Development does not include projects that were not included in FAA's NPIAS (ineligible projects would include hangar or other revenue generating development)



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GAO Funding Gap Could Be Greater

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- Some limitations to defining capital needs at general aviation airports include:
    - Projects included in the plan are constrained by federal budgetary realities and may not reflect all needs
    - Plan contains only 2-3 years worth of projects for the majority of airports
    - Plan does not contain projects that may be needed or desired at airports but are not eligible for federal funds
    - Funding sources do not include airport revenue or bonds
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For balance, I should note that some airports may be able to access capital development funds from the private debt market. However, the majority of general aviation airports cannot avail themselves of this method of financing.

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GAO's Review of General Aviation

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- GAO plans to analyze three aspects of general aviation
  - economic contribution
  - current and planned infrastructure
  - safety issues

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Our work to date has included general aviation airports as examples of land use, runway condition, and capital development needs that far outpace available funds. Yet, there is relatively little analysis available on the general aviation industry--information on such topics as general aviation infrastructure, its contribution to the economy, and the safety implications of general aviation--that would be very useful to the Congress regardless of the level of federal funding available. We have recently initiated a comprehensive review of general aviation for the House Subcommittee on Aviation. I would like to discuss each objective of this assignment.

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GAO   Economic Analysis

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- We will focus our economic analysis on two issues:
  - What is the current and forecasted economic contribution of general aviation?
  - What is known about general aviation's economic impact on communities?

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As has been discussed at other panels throughout this conference, aviation contributions to the national economy through the manufacture and sale of aircraft, general servicing of those aircraft, savings generated by efficiencies due to the utilization of aircraft, and by paying income to workers employed in the development and support of aircraft. General aviation plays a major role in this economic development. States and localities have tried to quantify this contribution in part to generate support for development of these airports.

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### GAO Infrastructure Analysis

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- We will focus our infrastructure analysis on two issues:
    - What is the geographic distribution of airports providing services to various types of general aviation aircraft?
    - What infrastructure improvements are proposed nationwide to accommodate forecasted increases in traffic?
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General aviation aircraft have access to the 5,000 public use airports in the US. The 2,750 general aviation airports eligible for federal funds provide a wide range of services for general aviation aircraft. Some have multiple runways and state-of-the-art precision landing equipment while others have a single, short paved runway with no precision approach. While much is known about the service level, current, and proposed infrastructure development needs of the 550 commercial service airports, little detailed analysis has been compiled for the general aviation airports.

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### GAO Safety Analysis

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- We will focus our safety analysis on two issues:
    - How do safety issues differ for various general aviation groups?
    - How can the improving safety record of general aviation be further enhanced?
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In 1997 GA fixed wing aircraft had 1,642 accidents that resulted in 667 fatalities. This accident rate is greater than that for commercial airlines and may be attributable in part to the fact that GA pilots typically have less experience and are subject to fewer regulations and controls.

FAA, in partnership with industry associations, had led efforts to decrease GA's accident and fatality rates through such efforts as Safer Skies and over the last 10 years GA's accident and fatality rate has declined--although it has remained relatively flat for the last 6 years. Much of their data is reported in aggregate for all types of GA aircraft

We propose to analyze factors that cause or contribute to accidents in different types of GA operations to see if procedures to improve safety could be targeted differently.

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### GAO Further Information

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- On the current general aviation review:
    - Gerald Dillingham (202) 512-3650 or *dillinghamg.rced@gao.gov*
  - Our previous work:
    - GAO reports on-line at *www.gao.gov*
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